

# HOUSE BILL No. 1510

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10-1.1-3.5.

**Synopsis:** State deferred compensation plan. Provides that, after June 30, 2009, all state employees are automatically enrolled in the state deferred compensation plan (plan) with a contribution equal to the maximum amount the state matches (currently, \$15 a pay period), unless the employee notifies the state that the employee does not want to enroll in the plan. (Currently, only newly hired employees are automatically enrolled in the plan.)

**Effective:** July 1, 2009.

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January 14, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1510

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 5-10-1.1-3.5, AS AMENDED BY P.L.3-2008,  
2       SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2009]: Sec. 3.5. (a) This section applies **after June 30, 2009**,  
4       to ~~an individual who becomes~~ an employee of the state. ~~after June 30,~~  
5       ~~2007.~~

6       (b) Unless an employee notifies the state that the employee does not  
7       want to enroll in the deferred compensation plan: ~~on day thirty-one (31)~~  
8       ~~of the employee's employment.~~

9       (1) the employee is automatically enrolled in the deferred  
10       compensation plan; and

11       (2) the state is authorized to begin deductions as otherwise  
12       allowed under this chapter.

13       (c) **An employee shall give the notice required by subsection (b)**  
14       **not later than the following dates:**

15       (1) **September 1, 2009, for an employee who is:**

16       (A) **employed by the state on June 30, 2009; and**

17       (B) **not enrolled in the deferred compensation plan.**



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**(2) Day thirty-one (31) of the employee's employment, for an individual who becomes an employee of the state after June 30, 2009.**

~~(c)~~ **(d)** The auditor of state shall provide written notice to an employee of the provisions of this chapter. The notice provided under this subsection must:

(1) be provided:

(A) **at one (1) of the following times:**

**(i) with the employee's first paycheck after July 1, 2009, for an employee who is employed by the state on June 30, 2009, and not enrolled in the deferred compensation plan; or**

**(ii) with the employee's first paycheck, for an individual who becomes an employee of the state after June 30, 2009; and**

(B) on paper that is a color that is separate and distinct from the color of the employee's paycheck;

(2) contain a statement concerning:

(A) the purposes of;

(B) procedures for notifying the state that the employee does not want to enroll in;

(C) the tax consequences of; and

(D) the details of the state match for employee contribution to; the deferred compensation plan; and

(3) list the telephone number, electronic mail address, and other contact information for the auditor of state, who serves as plan administrator.

~~(d)~~ **(e)** Notwithstanding IC 22-2-6, except as provided by subsection ~~(c)~~; **(d)**, the state shall deduct from an employee's compensation as a contribution to the deferred compensation plan established by the state under this chapter an amount equal to the maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

~~(e)~~ **(f)** An employee may contribute to the deferred compensation plan established by the state under this chapter an amount other than the amount described in subsection ~~(d)~~ **(e)** by affirmatively choosing to contribute:

(1) a higher amount;

(2) a lower amount; or

(3) zero (0).

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